



Ohio River Bridges Project moves forward as Kentucky, Indiana reach development agreement

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LOUISVILLE (Oct. 15, 2012) – Kentucky and Indiana officials have finalized agreements that will govern the construction, financing and long-term management of the Ohio River Bridges Project, which will add two new river crossings in Louisville and rebuild downtown interchanges on both sides.

The Bi-State Development Agreement and a related interlocal agreement are scheduled for approval by the Indiana Finance Authority (IFA) and the Kentucky Public Transportation Infrastructure Authority (KPTIA) at separate meetings Tuesday in Indianapolis and Frankfort.

The Louisville and Southern Indiana Bridges Authority, which was created to develop a financing plan for the project, is expected to meet within the next two weeks to take action on the Development Agreement, which will delegate to the two states the Authority's powers as necessary to deliver the project.

The agreements protect the legal and financial interests of both states, which are working together to share responsibility for construction, financing, oversight and management of the Bridges Project.

"This is a critical step toward achieving this long-sought project to increase cross-river mobility for commercial carriers, workday commuters and others who travel between Louisville and Southern Indiana," said Kentucky Transportation Secretary Mike Hancock.

"The development agreement ties together each state's portion of the project and reaffirms the 'two bridges, one project' concept," said Indiana Department of Transportation Commissioner Michael Cline.

To speed construction and share responsibility, Governors Mitch Daniels of Indiana and Steve Beshear of Kentucky agreed to divide oversight of the two major components of the project. The financing of the project will rely on traditional transportation funding from federal gas tax dollars and user fees from tolls on the new and improved crossings.

Kentucky is in charge of financing and constructing the Downtown Crossing, which includes a new Interstate 65 bridge for northbound traffic, a reconstructed Kennedy Bridge for southbound traffic and

revamped interchanges in Jeffersonville, Ind., and the Kennedy Interchange, where Interstates 64, 65 and 71 merge in downtown Louisville.

Indiana is in charge of financing and constructing an upriver East End Crossing between Utica, Ind., and Prospect, Ky. It will close a loop by connecting the Lee Hamilton Highway (Indiana State Route 265) and the Gene Snyder Freeway (Kentucky 841), opening a vast area to potential development.

The development agreement spells out rights and responsibilities for each state. It details provisions for moving the project forward to construction and for long-term operation including:

- Budget and financing
- Environmental and workforce commitments
- Operations, maintenance
- Tolling collection and enforcement

The agreements create a Joint Board that will have long-term oversight and management responsibility for the Bridges Project.

The four-member Joint Board will consist of the leaders of the two states' transportation agencies, the Secretary of the Kentucky Transportation Cabinet and the Commissioner of the Indiana Department of Transportation, and the leaders of the two agencies overseeing project financing, the Chairman of the Kentucky Public Transportation Infrastructure Authority and the Public Finance Director of the Indiana Finance Authority.

Members of the Joint Board, together with one additional representative each from KPTIA and IFA, also will function as a Tolling Body that will develop tolling policy. The additional members are to allow local representation on the Tolling Body.

Under the development agreement, the states agree to conduct – and publicly release – a detailed assessment of the potential economic effects of tolls on low-income and minority commuters as required by the federal Record of Decision.

The assessment will rely on population data, traffic forecasts and public input. Measures for mitigating the effects of tolling on low-income and minority populations are to be identified and evaluated, with opportunity for additional public input on those measures.

The Federal Highway Administration (FHWA) previously approved the financing, management and environmental documents for the project, allowing the use of federal transportation funds. Procurement of each state's respective portion of the project remains on schedule with contracting teams to be selected by the end of the year.